



Bank Choice Behaviour among Malaysian Muslims: A Qualitative Approach

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Abstract

This paper aims to understand the key motivations for Islamic bank patronage among Muslims using in-depth interviews and non-participant observation. This research used in-depth interviews and non-participant observation of Muslim customers of Islamic banks located in Terengganu, the earliest state to receive Islam in Malaysia and is well-known in adopting the Islamic governance system. 15 customers were determined to comprise the resultant sampling frame. The identified factors developed the four themes of customer profiling: i. ability (taufeeq) and guidance (hidayah); ii. guidance (hidayah) without ability (taufeeq); iii. ability (taufeeq) without guidance (hidayah); and iv. no ability (taufeeq) and guidance (hidayah). The “completeness of prayer” factor is a new discovery that could lead consumers to demonstrate an ideal behaviour according to Islamic teachings. Thus, the actual problem of the Islamic banking system especially among Muslims community is not the availability of shariah-compliant products or services, but the lack of shariah-adherent behaviour among Muslims.

Keywords: Islamic consumer behavior, muslims, islamic banking.

Introduction

The Islamic banking system has gained tremendous interest among Malaysians. The increasing market share for Islamic banking in Malaysia has reached 20% in 2012. Despite this positive phenomenon, three dominant issues remain among the Muslims who are the Islamic banking customers in Malaysia.

First, the comparison between the number of Muslims in Malaysia and that of Muslim customers in Islamic banking institutions (IBI) indicate that the market share of Islamic banking in Malaysia is still far from ideal. This issue leads to the second one, which is the extent of the comprehensive consumerism education aspect while existing initiatives appear to focus more on improving the operational infrastructures and institutions. This perspective provides an interesting understanding of the key motivations for Islamic bank patronage among Muslims. In turn, this view leads to the third issue, which is the extent of the dominance of the religious factor (RF) among Muslims when choosing a bank. There are four main reasons that the third issue is important. First, the RF is not the most important motive of Islamic bank patronage among Muslims¹. It is considered simultaneously with other factors. Second, the number of research on Islamic bank patronage in Malaysia is still limited². Hence, it should be further examined to understand the real motive of bank choice behaviour among Muslims. Third, the previous research focused more on the institutional-adherent rather than the human-adherent according to Islam. Fourth, there is a significant relationship between religion and bank choice behaviour. However, the real meaning of RF has not been thoroughly discussed.

Based on the above fact, is it true that Muslims who deal with IBI are driven by the fear of Allah SWT [Glory to Him, the Exalted] simply by the current trend that Muslims are required to choose Islamic banks? As envisioned by the government, does an ideal Muslim society exist in Malaysia, particularly in Terengganu, the earliest state to receive Islam in Malaysia and is well-known in adopting the Islamic governance system? Is it true that the Muslim community in Terengganu demonstrates an ideal behaviour according to Islam because they live in the state practicing Islamic values? This paper aims to answer these questions. The reviews on shariah-adherent behaviour are rarely focused on the customer perspective, specifically among Muslims. Thus, this research fills the gap in the field of Islamic consumer behaviour with special reference to the bank choice behaviour using qualitative approach. This paper is organised as follows. Section 1 provides a general introduction. Section 2 reviews the literature on the criteria for Islamic banking selection and the roles of values in life and its connection with taufeeq and hidayah. Section 3 explains the research methodology. Section 4 indicates the research findings and discussion. Section 5 provides the implications and conclusion.

Literature Review: Islamic Banking Selection: The previous studies on Islamic banking selection indicated seven patterns of discussion³. First, studies on the determinants of bank choice behaviour tend to identify the determinant factors per se without in-depth explanation. Discussions among the researchers focused more on the dominance of certain determinants with the previous researchers. A few studies reported a similar factor that was positively related with IBI selection behaviour among consumers⁴. Various factors were identified, such as profit,

service quality, image and reputation, competence and friendliness of bank personnel, confidentiality, recommendations by family and close friends, advertising, and marketing. The significance of religious factor has also been discussed. The Islamic banking practices of IBI ranked 26th out of 27th factors⁵. On the other hand, the religious factor was determined important by several studies⁶. For instance, the zakat payment by the IBI, is also identified as a new determinant influence in this research area⁷.

In addition, corporate social responsibility (CSR) can be divided into three elements, namely, community involvement, respect for human rights, and practices and environmental impact. This factor is one of the important aspects proposed by the Accounting and Auditing Organization of Islamic Financial Institutions (AAOIFI) to be practiced by the IBI. However, it was found that this factor was less dominant among the respondents compared with other factors. These other factors include the knowledge, competence, friendliness of the staff and the quality service of the bank.

In contrast, a study highlighted the importance of CSR among conventional and Islamic bank customers in Bahrain⁸. Meanwhile, the speed and efficiency of bank services as the dominant factors are revealed. This finding similarly stressed the need for aggressive promotion by the IBI. It was because 80% and 53% of the Muslim and non-Muslim consumers, respectively, agreed to use Islamic banking facilities should they receive sufficient information about the banking products⁹. The significance of this factor was identified as the cause for the low acceptance level of Islamic banking facility among Muslims in Indonesia.

Second, investigations of the relationship between customer satisfaction and service quality made these two variables the most studied factors. The measurement for the service quality by using CARTER model was developed which are modified from SERVQUAL model¹⁰. This model was built because of the limitations of SERVQUAL model, which could not properly examine the various aspects of cultural differences between nations, religions, and ethnic groups¹¹. CARTER model retains all five dimensions in SERVQUAL model, with the addition of a new dimension, namely, shariah compliance. Hence, this effort was claimed as the first approach in the world to enhance and consolidate religious beliefs and cultural values with other quality dimensions.

Numerous researchers applied CARTER model to the context of Islamic banking. The CARTER model was used to examine the relationship between product and service quality with customer satisfaction¹². It was also used to determine the level of service quality and customer satisfaction among Muslims and non-Muslims in Malaysia¹³.

Third, several studies focused on the specific user groups. For business groups, the propensity and the perception of small and

medium enterprises (SMEs) regarding the Islamic and conventional banking facilities in Malaysia were determined¹⁴. It includes studies on perceptions of corporations on Malaysian Islamic banking products and services¹⁵. Other researchers focused on the most influential determinants of bank selection among SME entrepreneurs¹⁶. Other groups include young users such as those examined who identified the dominance of reputation, parking facilities near the bank premises, friendliness of bank personnel and ATM facilities¹⁷.

Fourth, the demographic factor remains an important variable; similar to those in research on conventional banking institutions such as involved the socio-demographic variables, such as age, income, educational level, and citizenship, to understand the behaviour of Islamic bank customers in Bahrain¹⁸. The same socio-demographic variable, except for the citizenship factor that was considered irrelevant in the context of Bangladesh was used¹⁹. This finding means that both studies rejected the presence of gender as an important socio-demographic variable. This rejection occurred because Islamic banking principles do not distinguish between male and female customers. In contrast, this argument does not deny the appropriateness of gender as a socio-demographic variable, as determined by a few studies who sought the difference of bank choice behaviour based on customer profile²⁰.

Fifth, the influence of knowledge and awareness towards Islamic bank selection was also recognised as important. The prevalence of consumer banking products and services significantly affected the perception of service quality offered by the IBI in the United Arab Emirates (UAE). The findings of previous studies that Muslims living in Muslim countries have higher levels of awareness and knowledge of Islamic banking compared with those of Muslim immigrants.

Sixth, several studies examined the role of religiosity as a single variable of bank choice behaviour among consumers. A model which includes several Islamic values to assess the reality of bank choice behaviour among Malays in Malaysia²¹. The religiosity index to measure the adherence to religious faith among Malays in Klang Valley, Kuala Lumpur were used²². They reported that a higher level of religiosity indicated a greater intention to use Islamic banking facilities. However, the overall findings demonstrated that majority of Muslim consumers used conventional banking facilities although 71.5% of them belong to above average and highly religious people.

Seventh, other studies specifically focused on the relationship between intention, attitude and subjective norm. Such studies usually adopted and adapted the Theory of Reasoned Action (TRA)²³. For example, a study focused on one of the dominant variables of TRA, which is the intention of Muslim consumers to use Islamic banking facilities²⁴.

The above discussions indicate that although the scopes differed, the main purpose of the previous studies is generally

the same, which is to identify the dominant determinants from the consumer's perspective. Eventually, these findings can improve the entire products and services provided by IBI. On top of that, the bank customers only act as just a unit of analysis to identify the ability of the IBI to meet the consumers' needs. It matters little whether the customers act according to Islamic teachings or otherwise. Thus, the previous research focused more on the institutional-perspective rather than the human-perspective towards shariah-adherent behaviour.

Roles of Values in Life and Its Connection with Taufeeq and Hidayah: As discussed before, the bank choice behaviour is significantly influenced by values. A value is a belief that a certain condition is preferable to its opposite. Two people can believe in the same behaviours, but their underlying belief systems may be quite different²⁵. Apparently, a value can stimulate internal feelings that motivate a person to act. Thus, the value becomes a driving force of daily activities. Interestingly, creating value in life who discussed the theory of the meaning of life²⁶. The fifth part of his book also defined the value of beliefs. RecoveryNation.com categorised values into two groups: practical and universal. Universal values such as self-respect, safety, social acceptance, security, intimacy, health, love, and integrity anchor the stability of one's identity. Practical values comprise the movement and these values are used on a daily basis to effect changes in one's life.

From the Islamic perspective, a value is understood differently. By using the iceberg of human behaviour, he stressed that the human behaviour develops from inside²⁷. The belief system that refers to iman would create one's worldview. From this worldview, values gradually develop, followed by attitude, and finally by action or behaviour. The repeated behaviour will develop one's personal character, which would then form one's personality. In other words, Islamic values are universal and apply to all Muslims regardless of the differences in demographic profiles. Muslims are provided with the al-Quran and the al-Hadith to identify the extent that these values are permissible in Islam. With these values, ways of living could be determined subject to hidayah and taufeeq from Allah SWT. Taufeeq refers to success and luck through the blessings of Allah SWT, whereas hidayah means guidance from Allah SWT²⁸. Taufeeq and hidayah should come together to ensure the achievement of one's knowledge and awareness. This is due to the fact that the Muslims receive hidayah from Allah SWT but not every Muslim receives taufeeq to perform the good deeds. Using these two concepts (hidayah and taufeeq) as a tool of analysis, the shariah-adherent behaviour including the bank choice behaviour among Muslims can be measured.

Methodology

This research used in-depth interviews and non-participant observation of Muslim customers of Islamic banks located in Terengganu. From the aspect of sampling process, 15 customers were determined to comprise the resultant sampling frame²⁹.

Each interview was audio-recorded for future analysis. Interviews were conducted in Malay and at times in the Terengganu dialect according to the customer preference. Data reliability was increased by returning the actual transcription to each respondent via e-mail for correction, addition, or deletion, and then returned to the researcher; this system followed the process of validated referral³⁰. Each interview was initially manually integrated and initially coded according to sub-themes that surfaced from the interview dialogue. Direct quotations were not also edited to retain the thoughts of the respondents. Thus, these responses were lifted verbatim from the transcriptions including pauses which would affect punctuation.

Since the majority of the researchers in this area applied quantitative approaches, selection of this approach will provide a different point of view about the Islamic bank patronage.

Results and Discussion

Overall, four key themes were identified: i. ability (taufeeq) and guidance (hidayah), ii. guidance (hidayah) without ability (taufeeq), iii. ability (taufeeq) without guidance (hidayah); and iv. no ability (taufeeq) and guidance (hidayah).

Key Theme : Ability (Taufeeq) and Guidance (Hidayah): Respondents in this category understand the basic concepts of Islamic banking and are extremely concerned about the elements of halal and haram in consumption. This "shariah loyalist group" consists of loyal customers to Islamic banks regardless of its level of quality, location, staff, and physical appearance. The more important aspect to these respondents is to ensure that they engage in any transactions that are permissible in Islam.

"Muslim kene ikut ah ajaran Islam. Jelas doh Islam larang riba." (original interview transcript).

"As a Muslim, we should behave according to Islamic teachings. It is clear that Islam prohibits riba." (C3)

"Berurusan dengan bank Islam ni bukan pilihan. Ia wajib bagi setiap Muslim." (original interview transcript)

"To deal with Islamic bank is not an option. It is a must for every Muslim." (C8)

"Pokcik cakna berkat dalang wak mende pun." (original interview transcript)

"I am concern about blessings in whatever I do." (C13).

The above comments indicate that these respondents understand the concept of tauhid (belief in the oneness of Allah as the central theme of Islam) and, in consequence, they prioritise their relationships with Allah SWT (habluminallah), other human being (habluminannas), and other creations of Allah SWT. As

mentioned in Surah ar-Ruum, verse 39, Allah says: That which ye lay out for increase through the property of (other) people, will have no increase with Allah: but that which ye lay out for charity, seeking the Countenance of Allah, (will increase): it is these who will get a recompense multiplied. Muslims are apparently prohibited from taking riba. The principle is that any benefit that goes to the Muslims should be gained from their own exertions and not through the exploitation of others. Riba is always associated with exploitation, and thus Muslims avoid any transactions with conventional banks.

Another interesting finding is the relationship between the bank choice behaviour and the completeness of prayer. Through non-participant observation, respondents in this category are highly particular about prayer. This reality confirms the importance of compulsory treatment of worship, such as prayer, which could motivate a person to perform only good deeds. This practice is explained in Surah al-Ankabut, verse 45, where Allah says: Prayer restrains from shameful and evil deeds. This verse means that a person taking his prayers seriously would avoid bad deeds. However, if a person always prays but remains performing bad deeds, then his prayer is basically incomplete. This category of respondents could be identified as "shariah loyalist".

Key Theme: Guidance (Hidayah) Without Ability (Taufeeq): Respondents in this category understand the basic concepts of Islamic banking and are concerned about the elements of halal and haram in consumption activities. However, this position cannot motivate these respondents to deal only with Islamic banks. This situation indicates that the respondents are willing to deal with any banking institutions although they realise that Muslims should only deal with Islamic banks. Their priorities are the extent to which banking products and services meet their expectations.

"Walaupun skim pinjaman rumah yang saya dapat daripada bank ni tak halal kalau ikut Bank Negara, saya kena adil dengan diri saya dari segi bayaran bulanan. Skim ni murah sikit berbanding skim Islam." (original interview transcript)

"Even though the housing loan scheme that I get from this bank is non-halal according to Central Bank, I have to be fair with myself in terms of monthly payment. This scheme is cheaper than the Islamic scheme." (C1)

"Saya sedor penting dengan bank Islam je, nok nok orang Islam. Tapi saya lama doh dengan bank ni. Bertahung doh. Saya pung puah hati dengan kemudahang hok ada. Dok cadang nok tuko bank lain." (original interview transcript)

"I realise the importance of dealing with Islamic bank specifically for Muslims. But then I have been dealing with this bank (conventional bank) for many years. I am quite satisfied with the existing facilities. I have no plan to change to another bank." (C2).

"Pasal apa saya kena tukar dengan yang baru? XXX bank dah sediakan servis terbaik. Yelah...orang Islam kena pilih bank Islam." (original interview transcript)

"Why should I deal with a new one? XXX bank has provided me the best service. Yeah... Muslims should choose Islamic bank." (C7).

"Dok nafi orang Islam kena pilih bank Islam. Saya ada blake...dok Islam dan Islam. Tapi banyoknye saya guna hok dok Islam macang internet banking...penuh data bank saya." (original interview transcript)

"No doubt that Muslims should prefer Islamic bank. I have both...conventional and Islamic. But most of the time I use the conventional one such as my internet banking...which consists of so many banking data." (C9).

"Payoh ah nok tuko blake. Saya sedor mende ni tapi tak dok masa nok buat. InsyaAllah saya akan buat nanti." (original interview transcript)

"Very hard for me to change everything. I realise that but then I don't have time to do so. InsyaAllah I will do so." (C10).

"Saya berharap dapat deal dengan bank Islam je macam yang ramai Ustaz cakap. Tapi realitinya kualiti servis yang bank Islam tawarkan teruk. Saya experienced banyak kali. Sebab tu saya utama bank konvensional." (original interview transcript)

"I do hope that I can deal with Islamic bank only as always discussed by many ustaz. But the fact is that the service quality offered by Islamic bank is terrible. I experienced many times. That's why I prefer conventional bank." (C14).

"Saya ada dua-dua akaun...tak Islam dan Islam. Ni pasal polisi syarikat saya...kena buka savings account dengan XXX bank untuk bayar gaji. Tapi selesa pulok doh guna hok dok Islam tu. Saya tahu saloh ni ikut syariah." (original interview transcript)

"I have both accounts...conventional and Islamic. This is due to my company's policy...need to open savings account with XXX bank for salary payment. But then I feel convenience to use the conventional one. I know that I'm wrong according to shariah." (C15).

Based on the above comments, a person who is granted with taufeeq would have the ability to perform a religious duty and life responsibility. Taufeeq and hidayah differ but they should be together. A person with taufeeq may at times have no hidayah. A person with hidayah could sometimes be without taufeeq. Thus, these respondents could be identified as a "floating market" or "market trend follower".

Key Theme: Ability (Taufeeq) Without Guidance (Hidayah): Respondents in this category do not really understand about the basic concepts of Islamic banking. However, they are quite concerned about the elements of halal

and haram in any consumption activities. Such respondents may deal with only Islamic banks, or even both, but their relationships with the Islamic bank merely to follow the market trend. Since Islamic banking products and services become globally competitive, and thus they prefer to follow the market trend.

“Saya ikut suami je. Dia ah hok buka akaun simpanang saya sini.” (original interview transcript).

“I depend on my husband. He is the one who opened up my savings account here (Islamic bank).” (C5).

“Ni sebab polisi syarikat saya. Sebelung ni biasanya saya gi XXX bank.” (original interview transcript)

“This is due to my company’s policy. Before this I normally go to XXX bank (conventional bank).” (C6).

“Sebabnye nok klua elaun JKKK sini. Kalu dok, saya gi XXX bank hok dekat dengang rumah saya.” (original interview transcript)

“The reason is to withdraw my JKKK’s (Village Development and Security Committee) allowance here (Islamic bank). If not, I go to XXX bank which is near to my house.” (C11).

The above comments indicate that a person with *taufeeq* sometimes has no *hidayah*. Undoubtedly, *taufeeq* motivates a person to perform good deeds. However, in Islam, everything we do should begin with intentions (*niyyah*). From the Amir al-Muminin Abu Hafs “Umar ibn al-Khattab (r.a.) [The second caliph of Islam (634-644)],” “I heard the Messenger of Allah, may Allah bless him and grant him peace, saying, ‘Actions are only by intentions, and every man has only that which he intended. Whoever’s emigration is for Allah and His Messenger then his emigration is for Allah and His Messenger. Whoever’s emigration is for some worldly gain which he can acquire or a

woman he will marry then his emigration is for that for which he emigrated” (narrated by Bukhari [Bad’I al-Wahyi, hadith no. 1; al-Aiman wa an-Nudzur, hadith no. 6689] and Muslim [al-Imarah, hadith no. 1907]). Anything we do without intention, even a good thing, does not count as *ibadat*.

These respondents also consider as a “floating market” or “market trend follower.”

Key Theme: No Ability (*Taufeeq*) and Guidance (*Hidayah*):

Respondents in this category do not understand the basic concepts of Islamic banking and certainly are not concerned about the elements of *halal* and *haram* in consumption activities. Therefore, they do not care dealing with Islamic or conventional bank as long as their banking needs could be fulfilled.

“XXX bank (bank Islamik) jauh ngat. XXX bank (bank konvensional) 500 meter je dari rumah saya. Lagipun, kualiti servis dia OK.” (original interview transcript).

“XXX bank (Islamic bank) is too far. XXX bank (conventional bank) is only 500 meters from my house. Furthermore, its service quality is OK.” (C4).

“Dua-dua bank tu sama je.” (original interview transcript)

“Both banks (Islamic and conventional bank) are the same.” (C12).

The above comments indicate that respondents in this category tend to prefer external factors, such as service quality, location, and lower interest rate, when selecting banks. These external factors dominate their consideration because their values are not based on the Islamic worldview and epistemology. These respondents could be identified as a “conventional loyalist”.

The details of the above discussion are tabulated below.

Table-1
Customer Profiling

| Group | Characteristic | Respondent | Category | Status |
|--------|--|-------------------------------|-------------------------|--|
| 1 (G1) | Ability (<i>taufeeq</i>) and guidance (<i>hidayah</i>) | C3, C8, C13 | <i>Shariah</i> loyalist | <i>Shariah</i> -adherent and ideal (only deal with Islamic bank) |
| 2 (G2) | Guidance (<i>hidayah</i>) without ability (<i>taufeeq</i>) | C1, C2, C7, C9, C10, C14, C15 | Market trend follower | Inadherent (deal with both Islamic and conventional banks) |
| 3 (G3) | Ability (<i>taufeeq</i>) without guidance (<i>hidayah</i>) | C5, C6, C11 | Market trend follower | <i>Shariah</i> -adherent but not ideal (deal with Islamic banks without intention) |
| 4 (G4) | No ability (<i>taufeeq</i>) and guidance (<i>hidayah</i>) | C4, C12 | Conventional loyalist | Inadherent (only deal with conventional banks) |

Source: Fieldwork

Of the four groups, only the respondents of the first group are considered as ideal Muslims. This is due to the fact that an ideal Muslim is someone who has the highest moral character. In his or

her relationship with Allah SWT, family, parents, relatives, friends and society, he or she instills the *akhlaq* of Prophet Muhammad SAW (Peace be upon him) in his or her daily life.

For that reason, there was four signs that one is receiving tauhid and hidayah from Allah SWT. First, one would feel everything goes smoothly despite the difficulties faced. Second, he or she is a person who thinks wisely before doing anything. Third, he or she is patient in performing acts of worship, charity and life. Fourth, he or she is consistent and committed in performing the charity and worship. The first three signs are quite difficult to be connected with the characters of the respondents. However, for the fourth sign, the respondents in the first group (G1), i.e shariah loyalist are generally the same. They are very particular about the completeness of the prayer. This includes performing solat in jama'ah (congregation) specifically for man. By doing so, the prayer becomes a fortress which protects and preserves other good deeds.

Conclusion

Two implications arise from this research: i. theoretical perspectives and ii. practical perspective. A theoretical perspective could derive two aspects. The first is the contribution of theoretical studies, while the second is the contribution to empirical studies. For the first aspect, research on bank choice behaviour started over two decades ago. However, two main issues gained little attention from the previous researchers. First, the previous studies proposed numerous theoretical frameworks of bank choice behaviour. Each criterion or dominant factor was deeply explored to ensure the validity and reliability of the measurement. Thus, data may be collected and analysed by using inductive or deductive approach to provide a real explanation to the specific phenomenon. Theoretical frameworks on bank choice behaviour that used different tools of analysis resulted in varied findings or conclusions. This scenario could complicate efforts to compare research findings. Second, religious and cultural influences on bank selection are proven as significant. A few studies reported the influence of religious factors as the main motivation in bank selection. However, the previous studies rarely specified the religion factor. For example CARTER model that was adopted from SERVQUAL model. In this case, CARTER model referred to one of the six dimensions of service quality measurement, which comprised the elements of compliance. This element was explained in five aspects: (1) operating on shariah principles; (2) no interest paid or charged; (3) provision of Islamic products and services; (4) provision of interest free loans; and (5) provision of profit-sharing investment products.

Both of these different issues lead to the same problem. The research benefits were more focused on efforts to improve the institution rather than the consumer. To date, the measurement of the shariah-adherent behaviour among consumers has not been developed yet, even by CARTER model. In other words, although several previous studies used the customer as the unit of analysis, the focus of benefits was still the institution. Therefore, the theoretical frameworks used are institutional-oriented and not customer-oriented. Based on the above discussion, the reviews on shariah-adherent behaviour are rarely focused among consumers,

specifically Muslims, thus highlighting the gaps in this research area.

In addition, the "completeness of prayer" factor is a new discovery that could lead consumers to demonstrate an ideal behaviour according to Islamic teachings. In other words, better prayer habits could lead to better muamalat activities. In the case of bank choice behaviour, this aspect is closer to the "shariah loyalist" group.

For the second aspect, previous empirical research methods had no significant differences. Majority of researchers chose to adopt a survey and self-administered questionnaire. Only a small number of researchers used interviews, whether face-to-face, by telephone, or focus group discussion. Thus, analytical techniques used by most researchers focused on the quantitative approach, which involved descriptive and inferential analysis, including factors analysis. Therefore, this research fills the research and literature gap in this area by using qualitative methods.

The findings of this research similarly demonstrated several practical implications that could be divided into three parts.

Implication on the Education Curriculum Implementation at All Study Levels: The results indicated that shariah-adherent behaviour among Muslims in Terengganu has not reached the ideal level although these customers understand the basic concepts of Islamic banking and are aware of the importance of dealing only with such banks. This scenario means that efforts on the appreciation of Islamic values require further emphasis. This campaign should start from the primary level of education by improving the curriculum of Islamic education through an introduction of Islamic consumerism elements, which could be treated as a topic of Islamic education or even as a single subject called "Islamic consumer behaviour." Another important aspect to be reviewed is the teaching and learning activity that should be based on Islamic worldview and epistemology. Thus, our children will be exposed to the ideal values according to the pleasure of Allah SWT, not by the Western materialistic values. If this recommendation were made possible, all aspects of life and the habits of Muslims consumers would lead them to the correct path according to Islam.

Implication on Islamic Bank Policies: Empirical studies confirmed the influence of religion on the selection of Islamic bank among Muslims in Terengganu. The awareness to use only an element of halal should be the most powerful inducement not to engage in any conventional banking facilities. Moreover, marketing activities by Islamic banks should consistently comply with the shariah principles and feature products and services that are free from gharar. As such, these three dimensions require refinement by Islamic banks to increase their market shares.

This study similarly assists Islamic banks in identifying the relevant extrinsic determinants or external factors of motivation that require enhancement to maintain the loyalty of existing

customers. This observation means that Islamic banks can no longer depend on the reputation and image of "Islam". Islamic banks have to be one-step ahead compared to their counterparts. In this case, as revealed by the previous researchers, the element of banking convenience has been predominantly perceived as being important by customers. It refers to the elements of customer friendly, simple banking procedures for any transaction, and fast and efficient services. According to the perspective of fiqh-awlawiyyat, therein lies the real Islamic values which emphasizes the quality aspect.

Implication on Consumerism Education: The shariah-adherent behaviour of Muslims in Terengganu is not at an ideal level. In certain cases, money is the single consideration of using certain banking facilities. If this scenario happened among Islamic bank customers, the real motive of dealing with the Islamic bank is clearly to follow the market trend, and not to comply with Islamic teachings. Although Muslims in Terengganu are exposed to Islamic surroundings, several Muslim customers prefer to use conventional banking facilities. Thus, the existence of an ideal consumer society as envisaged by Islam is far from reality. This observation means that learning Islamic education through formal or informal means, together with Islamic surroundings in Terengganu, could not ensure shariah-adherent behaviour among Muslims.

The above explanation provides two important indicators on the effectiveness of consumer education campaigns in the banking business. First, numerous campaigns are conducted by the Bank Negara Malaysia (BNM), Counselling and Credit Management Agency (AKPK), Association of Islamic Banking Institutions Malaysia (AIBIM), media, non-governmental organizations and by various related parties. However, the negative perceptions towards Islamic banking among the Muslim community remain unchanged. Among the identified perceptions are the similarities between the Islamic and conventional banking systems, Islamic banking products in Malaysia are less Islamic, and the Islamic bank as a charitable institution. In this research, for example, the G4 customers fail to differentiate between both systems, with only branding as the difference. The G4 customers are not only unfavourable with the advantages and benefits of the Islamic banking system, but also belittle its strength with negative connotations such as "expensive," "Islamic cosmetic," and "slow." The worst case is that several G2 customers do understand and believe in the advantages of the Islamic banking system. However, they remain loyal to conventional banking facilities only because they have been dealing with such facilities for many years. They realise the strengths of the Islamic banking system. However, they are merely complacent with the existing facilities of conventional banks. Thus, the actual problem of the Islamic banking system especially among Muslims community is not the availability of shariah-compliant products or services, but the lack of shariah-adherent behaviours among Muslims.

Second, the efforts conducted by non-governmental organizations such as the Muslim Consumers Association of Malaysia (PPIM)

and other parties were more focused on food and beverages. The guilt of using conventional banking products does not equal that of taking food or beverage that are prohibited in Islam. A more unfortunate case is the lack of guilt feelings, which indicates one's agreement on the use of conventional banking facilities.

Both indicators demonstrate that the existing consumer education programs need to be reviewed in two aspects, namely, i. knowledge and awareness, and ii. appreciation of allowing people to act according to their knowledge and awareness. The existing efforts apparently focus on the first aspect and thus, give lesser emphasis on the second aspect. The focus should now shift to the second aspect through the comprehensive efforts from various parties. In this case, this research proposes the government of Malaysia and Terengganu to collaborate with the BNM, AIBIM, AKPK, or any Islamic banks to disseminate knowledge on Islamic banking, to create awareness on the importance of dealing with Islamic banks, and to educate the community to act according to what they are aware of.

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